

MILITARY AFFAIRS

Budget Summary							
Fund	2014-15 Base Year Doubled	2015-17 Governor	2015-17 Jt. Finance	2015-17 Legislature	2015-17 Act 55	Act 55 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$52,814,800	\$53,738,800	\$52,865,800	\$52,865,800	\$52,865,800	\$51,000	0.1%
FED	140,669,000	141,806,800	142,521,800	142,521,800	142,521,800	1,852,800	1.3
PR	13,487,200	14,523,300	14,367,300	14,367,300	14,367,300	880,100	6.5
SEG	<u>2,361,800</u>	<u>2,361,800</u>	<u>2,361,800</u>	<u>2,361,800</u>	<u>2,361,800</u>	<u>0</u>	0.0
TOTAL	\$209,332,800	\$212,430,700	\$212,116,700	\$212,116,700	\$212,116,700	\$2,783,900	1.3%

FTE Position Summary						
Fund	2014-15 Base	2016-17 Governor	2016-17 Jt. Finance	2016-17 Legislature	2016-17 Act 55	Act 55 Change Over 2014-15 Base
GPR	80.63	79.33	81.08	81.08	81.08	0.45
FED	338.35	335.40	337.65	337.65	337.65	- 0.70
PR	<u>37.79</u>	<u>37.37</u>	<u>37.37</u>	<u>37.37</u>	<u>37.37</u>	<u>- 0.42</u>
TOTAL	456.77	452.10	456.10	456.10	456.10	- 0.67

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS [LFB Paper 440]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$579,000	- \$21,600	\$557,400
PR	188,800	- 84,600	104,200
FED	<u>736,400</u>	<u>- 178,400</u>	<u>558,000</u>
Total	\$1,504,200	- \$284,600	\$1,219,600

Governor: Provide adjustments to the base totaling \$289,500 GPR, \$94,400 PR, and \$368,200 FED annually. Adjustments are for: (a) turnover reduction (-\$106,200 GPR and -\$316,100 FED annually); (b) full funding of continuing position salaries and fringe benefits

(\$360,400 GPR, \$84,600 PR, and \$273,200 FED annually); and (c) overtime (\$35,300 GPR, \$9,800 PR, and \$411,100 FED annually).

Joint Finance/Legislature: Reduce funding by \$10,800 GPR, \$42,300 PR, and \$89,200 FED annually to account for inadvertent errors made when calculating: (a) the full funding of continuing position salaries and fringe benefits (-\$10,800 GPR, -\$42,300 PR, and -\$89,300 FED annually); and (b) turnover reduction (\$100 FED annually).

2. MINOR TRANSFERS WITHIN APPROPRIATIONS

Governor/Legislature: Provide the following technical budget adjustments within appropriations in order to align funding and position authority with operational purposes:

a. Place 2.3 FED positions that are supported by the Emergency Management Services federal aid, state operations appropriation in the Division of Emergency Management's (WEM) emergency management operations. Base funding and position authority for the appropriation is \$4,479,200 FED and 23.35 positions.

b. Place 5.0 FED positions that are supported by the National Guard Operations federal aid appropriation in the Army National Guard's general program administration. Base funding and position authority for the appropriation is \$30,588,600 FED and 266.28 positions.

c. Place \$16,859,400 FED annually and 6.0 FED positions that are supported by the Emergency Management Services federal aid; homeland security appropriation in WEM's emergency management operations. Base funding and position authority for the appropriation is \$16,859,400 FED and 6.0 positions.

d. Place 0.25 PR position that is supported by the Emergency Management Services program services appropriation in WEM's emergency management operations. Base funding for the appropriation is \$2,642,800 PR and 11.79 positions.

e. Move 0.75 PR position that is supported by the National Guard challenge academy appropriation from youth opportunity programs to the Army National Guard's Challenge Academy. Base funding for the appropriation is \$1,065,300 PR and 12.0 positions.

3. ELIMINATE LONG-TERM VACANCIES [LFB Paper 441]

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	-\$158,600	- 1.75	\$158,600	1.75	\$0	0.00
PR	0	- 0.67	- 71,400	0.00	- 71,400	- 0.67
FED	0	- 3.25	0	3.25	0	0.00
Total	-\$158,600	- 5.67	\$87,200	5.00	-\$71,400	- 0.67

Governor: Eliminate 1.75 GPR positions and associated funding for the positions, totaling

\$79,300 GPR annually. In addition, reduce position authority by 0.67 PR position and 3.25 FED positions. Expenditure authority associated with the PR and FED positions is not deleted. The administration indicates that the reduction in funding and position authority is associated with positions that have been vacant for twelve months or more. [Note that 1.0 FED position proposed for elimination has recently been filled by the Department.]

Joint Finance/Legislature: Restore \$79,300 GPR, 1.75 GPR positions, and 3.25 FED positions annually. As a result, 0.67 PR program and policy analyst position would be eliminated from the Department's budget associated with long-term vacancies. The 0.67 PR position is supported by the emergency management services program services appropriation.

Reduce the appropriation's expenditure authority by \$35,700 PR annually to account for the salary and fringe benefit costs associated with the eliminated 0.67 PR position. The appropriation supports conferences, training, and other services provided by the Department's Division of Emergency Management, as well as the Division's radiological emergency preparedness (REP) program.

4. EXPENDITURE AUTHORITY INCREASES RELATED TO ESTIMATED PROGRAM REVENUES

PR	\$820,000
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Governor/Legislature: Provide the following expenditure authority increases based on current projections of program revenues and expenditures:

a. \$250,000 (\$100,000 for billeting services and \$150,000 for military property) annually to the National Guard's military property annual appropriation. The Department indicates that the expenditure authority increase in billeting services would be utilized to: (a) support minor inflationary increases in supplies, utilities, and services; (b) replace worn equipment; and (c) implement security improvements in billets. Funding for the expenditure authority increase in billeting services would be supported by a federally-approved increase in rent for billeting. Further, the Department indicates that the expenditure authority increase for military property would be utilized to replace old vehicles and buy new furniture. Funding for military property is generally supported from revenues generated from selling or renting military property. Base funding for the military property appropriation is \$771,600, comprised of: (a) \$623,700 for billeting services; and (b) \$147,900 for military property.

b. \$60,000 annually to the National Guard's gifts and grants appropriation to support grants to law enforcement agencies for counter drug measures. Funding for these grants is primarily supported by monies obtained from drug seizures. Base funding for the gifts and grants appropriation is \$75,000.

c. \$100,000 annually to the emergency management services planning and reporting administration appropriation. Revenue for this appropriation is generated from fees paid by facilities that are subject to federal regulations for hazardous chemicals under the federal Emergency Planning and Community Right-to-Know Act. A facility pays these fees when it submits forms identifying its inventory of hazardous chemicals and notifying state officials of the necessity for emergency response plans for the potential release of hazardous substances.

Funding in this appropriation is utilized for emergency planning, notification, response, and reporting activities, as well as to administer grants to local emergency planning committees. The Department indicates that increased expenditure authority would be utilized to support: (a) an online database that contains information related to facilities housing hazardous substances and local emergency response plans; and (b) travel to small facilities housing hazardous substances to instruct the owners of those facilities on the proper method of reporting information to the Division of Emergency Management. Base funding for the appropriation is \$983,600.

5. FEDERAL REVENUE REESTIMATE

FED	\$386,400
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Governor/Legislature: Provide \$193,200 annually to the National Guard's indirect cost reimbursements appropriation. Federal funding is provided to reimburse the state for the indirect costs associated with administering the National Guard's federal grants and contracts. Indirect cost reimbursements may be utilized to support such items as administrative costs, program implementation, position funding, and payment of federal aid disallowances. Base funding for the appropriation is \$485,800.

6. TRANSFER FEDERAL REVENUE FROM LOCAL ASSISTANCE TO TRANSFERS TO OTHER STATE AGENCIES

Governor/Legislature: Transfer \$2,500,000 FED within the federal homeland security appropriation from local assistance to transfers to other state agencies. The transfer would reflect federal homeland security grant funding the Department utilizes to support state-operated homeland security programs, including programs related to: (a) interoperability; (b) infrastructure; (c) cyber security; (d) emergency management planning and implementation; (e) intelligence and information sharing; and (f) urban area security. The Department transferred homeland security funding to the following state agencies in 2013-14: the Department of Transportation (\$1,629,800); the University of Wisconsin (\$273,500); the Department of Justice (\$586,000); and the Department of Agriculture, Trade, and Consumer Protection (\$61,900). [Due to the uncertainty surrounding future federal homeland security grants, the Department is anticipating fewer transfers in the 2015-17 biennium.] Base funding for the appropriation is \$16,859,400.

7. NATIONAL GUARD READINESS [LFB Paper 442]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,000,000	- \$1,000,000	\$0
FED	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>
Total	\$1,000,000	\$0	\$1,000,000

Governor: Provide \$500,000 GPR annually to the National Guard's sum sufficient appropriation in order to maintain Wisconsin Army National Guard readiness. Base funding for

the appropriation is \$40,000 GPR. Funding provided under the bill would support the costs of the Army National Guard administering its Soldier Readiness Processing (SRP) program for one weekend a month, eleven months out of the year. [The federal government currently provides funding to support the SRP program for a two-week period, one month out of the year.] The Department indicates that all of the approximate 7,800 soldiers in the Army National Guard could participate in the SRP program if the program operated one weekend, eleven months out of the year, in addition to the federally funded two-week period.

Under regulations established by the United States Army and utilized by the Wisconsin Army National Guard, in order to be deployed into active duty a soldier must have participated in the state's SRP program within the last 12 months. Further, an SRP status check must be performed within 30 days of a soldier being deployed into active duty to ensure that the soldier participated in the SRP program in the last 12 months. The Army National Guard's SRP program primarily: (a) validates a soldier's dental, medical, and personnel records; (b) provides the opportunity for a soldier to update records pertaining to religious preferences, family information, beneficiaries, wills, powers of attorney, and other personal issues; and (c) provides soldiers the opportunity to review life insurance options and education benefits.

Joint Finance/Legislature: Delete \$500,000 GPR annually provided under the bill for National Guard readiness. Instead, provide \$500,000 FED annually to the Department's National Guard operations federal aid appropriation for National Guard readiness.

8. MILITARY PROPERTY PROGRAM [LFB Paper 443]

	Governor		Jt. Finance/Leg.		Net Change	
	<u>(Chg. to Base)</u>		<u>(Chg. to Gov)</u>			
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$192,500	0.20	-\$10,000	0.00	\$182,500	0.20
FED	<u>- 39,600</u>	<u>- 0.20</u>	<u>- 106,600</u>	<u>- 1.00</u>	<u>- 146,200</u>	<u>- 1.20</u>
Total	-\$152,900	-0.20	-\$116,600	-1.00	\$36,300	-1.00

Governor: Provide \$97,300 GPR and -\$19,800 FED in 2015-16, \$95,200 GPR and -\$19,800 FED in 2016-17, and convert 0.2 FED position into a GPR-funded position, in order for the Department's Division of Emergency Management (WEM) to assume all administrative duties relating to the federal military property program (known as the 1033 program). Section 1033 of the National Defense Authorization Act of 1997 permits the federal Department of Defense to transfer excess military property to eligible state and local law enforcement agencies for use in counter-drug, counter-terrorism, and other law enforcement activities.

In addition to the funding and position authority provided under the bill, WEM would utilize \$92,500 GPR and 1.0 GPR position of existing funding and position authority, as well as \$18,500 PR in 2015-16 and \$8,500 PR in 2016-17, to administer the program. Program revenue for the state's administration of the military property program would be generated from a \$500 enrollment fee charged by the state to law enforcement agencies.

Convert the Emergency Management Services program services annual PR appropriation to a continuing, all monies received, appropriation. The Department indicates that it would utilize the continuing appropriation to collect fees from law enforcement agencies participating in the military property program. Under current law, the appropriation may be utilized to expend and receive monies relating to conferences, training, and other services provided by WEM.

Joint Finance/Legislature: Provide the following modifications to the Governor's recommendation: (a) transfer \$20,000 GPR annually for rent costs from the emergency management services general program operations appropriation to the National Guard operations general program operations appropriation; (b) reduce funding and position authority for the emergency management services federal aid, state operations appropriation by \$53,300 FED and 1.0 FED position annually to account for an existing FED position that would be eliminated; and (c) reduce funding provided to the emergency management services general program operations appropriation by \$10,000 GPR in 2016-17.

[Act 55 Section: 766]

9. EMERGENCY MANAGEMENT ADMINISTRATION

Governor/Legislature: Provide \$11,700 GPR, \$11,700 PR, and \$23,400 FED in 2015-16, and \$15,600 GPR, \$15,600 PR, and \$31,200 FED in 2016-17, as well as 1.0 financial specialist position (0.25 GPR, 0.25 PR, and 0.5 FED), to support financial management and grant administration in the Division of Emergency Management (WEM). Program revenue for the position would be generated from fees paid by facilities that are subject to federal regulations for hazardous chemicals under the federal Emergency Planning and Community Right-to-Know Act (EPCRA).

	Funding	Positions
GPR	\$27,300	0.25
PR	27,300	0.25
FED	<u>54,600</u>	<u>0.50</u>
Total	\$109,200	1.00

According to the Department, the financial specialist would: (a) administer EPCRA grants as well as other emergency planning grants; (b) review subgrantee audit reports required under certain federal grant programs; and (c) support the general day-to-day operations of WEM. In accordance with EPCRA and state law, WEM provides grants to local emergency planning committees (LEPC), which are responsible for administering emergency response plans at the county level.

10. AGENCY SERVICES APPROPRIATION

Governor/Legislature: Modify the National Guard's agency services program revenue appropriation in order to allow the appropriation to receive monies from other appropriations within the Department, as well as monies from other state agencies for services rendered by the Department. The Department indicates that the purpose of the modification is to create a centralized, program revenue appropriation from which funds may be collected and expended for the National Guard's information technology (IT) expenses. Base funding for the agency services appropriation is \$60,800.

Under current law, the agency services appropriation may receive and expend monies only relating to services rendered for other state agencies. As a result, IT expenditures associated with each of the National Guard's individual programs must be made from the different appropriations that support each program. According to the Department, the current method of supporting IT costs creates difficulties for auditors who ensure that the National Guard utilizes its federal funds and property in accordance with federal law.

[Act 55 Section: 765]

11. FUEL AND UTILITIES

GPR	- \$712,500
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Governor/Legislature: Reduce funding by \$393,000 in 2015-16 and \$319,500 in 2016-17 associated with fuel and utility cost estimates at Army and Air National Guard facilities. Base level funding for agency energy costs is \$2,773,100.

12. DEBT SERVICE [LFB Paper 175]

GPR	- \$3,700
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Governor/Legislature: Provide \$44,100 in 2015-16, and -\$47,800 in 2016-17, to reflect the reestimate of GPR debt service costs on state general obligation bonds and commercial debt issued for National Guard facilities operated by DMA.

13. OFFICE OF CONTINUITY OF STATE GOVERNMENT [LFB Paper 114]

Governor: Direct the Department's Division of Emergency Management (WEM) to consult with the Department of Administration's Office of Government Continuity, as created under the bill. The Division of Emergency Management would assist the Office establish and administer a continuity of government program to ensure the continuity of state government operations during a disaster.

Under current law, WEM is to prepare Wisconsin and its subdivisions to cope with emergencies resulting from a disaster, or the imminent threat of a disaster. Furthermore, WEM officials assist local units of government and local law enforcement agencies in responding to a disaster or the imminent threat of a disaster. [See "Administration -- Transfers."]

Joint Finance/Legislature: Delete provision.